

**PUBLIC DEFENDER COMMISSION  
RICHMOND, VIRGINIA**

**REPORT ON AUDIT  
FOR THE TWO-YEAR PERIOD ENDED  
JUNE 30, 2002**



## **AUDIT SUMMARY**

Our audit of the Public Defender Commission for the two-year period ended June 30, 2002, found:

- proper recording and reporting of transactions, in all material respects, in the Commonwealth Accounting and Reporting System;
- no issues of noncompliance that are required to be reported under Government Auditing Standards; and
- no matters involving internal control and its operation that we consider weaknesses.

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COMMISSION OFFICIALS

September 5, 2002

The Honorable Mark R. Warner  
Governor of Virginia  
State Capitol  
Richmond, Virginia

The Honorable Kevin G. Miller  
Chairman, Joint Legislative Audit  
and Review Commission  
General Assembly Building  
Richmond, Virginia

### INDEPENDENT AUDITOR'S REPORT

We have audited the financial records and operations of the **Public Defender Commission** for the two-year period ended June 30, 2002. We conducted our audit in accordance with Government Auditing Standards, issued by the Comptroller General of the United States.

#### Audit Objectives, Scope, and Methodology

Our audit's primary objectives were to evaluate the accuracy of recording financial transactions on the Commonwealth Accounting and Reporting System, review the adequacy of the Commission's internal control, and test compliance with applicable laws and regulations. We also reviewed the Commission's corrective actions of audit findings from prior year reports.

Our audit procedures included inquiries of appropriate personnel, inspection of documents and records, and observation of the Commission's operations. We also tested transactions and performed such other auditing procedures as we considered necessary to achieve our objectives. We reviewed the overall internal accounting controls, including controls for administering compliance with applicable laws and regulations. Our review encompassed controls over the following significant cycles, classes of transactions, and account balances:

Expenditures  
Revenues

We obtained an understanding of the relevant internal control components sufficient to plan the audit. We considered materiality and control risk in determining the nature and extent of our audit procedures. We performed audit tests to determine whether the Commission's controls were adequate, had been placed in operation, and were being followed. Our audit also included tests of compliance with provisions of applicable laws and regulations.

The Commission's management has responsibility for establishing and maintaining internal control and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

Our audit was more limited than would be necessary to provide assurance on internal control or to provide an opinion on overall compliance with laws and regulations. Because of inherent limitations in internal control, errors, irregularities, or noncompliance may nevertheless occur and not be detected. Also, projecting the evaluation of internal control to future periods is subject to the risk that the controls may become inadequate because of changes in conditions or that the effectiveness of the design and operation of controls may deteriorate.

#### Audit Conclusions

We found that the Commission properly stated, in all material respects, the amounts recorded and reported in the Commonwealth Accounting and Reporting System. The Commission records its financial transactions on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The financial information presented in this report came directly from the Commonwealth Accounting and Reporting System.

We noted no matters involving internal control and its operation that we consider to be material weaknesses. Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material to financial operations may occur and not be detected promptly by employees in the normal course of performing their duties.

The results of our tests of compliance with applicable laws and regulations disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

#### EXIT CONFERENCE

We discussed this report with management at an exit conference held on September 13, 2002.

AUDITOR OF PUBLIC ACCOUNTS

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## COMMISSION'S OPERATIONAL AND FINANCIAL INFORMATION

### Overview

The Public Defender Commission is comprised of nine citizens that must be state residents, who the Speaker of the House of Delegates appoints. By law, the Commission must consist of three judges, three lawyers, and three public members with each appointed for staggered terms of three years.

The Commission appoints a Public Defender for each of its 20 offices. The Public Defender must be a licensed attorney in good standing with the Virginia State Bar. The Public Defender offices provide defense services for indigent persons charged with jailable crimes through all trial stages, including appeals.

At June 30, 2002, there were approximately 207 attorneys employed in the 20 Defender offices, which serve 47 jurisdictions. Additionally, each office has a head Public Defender, investigative and secretarial assistance, and the ten largest offices have a sentencing advocate.

### Revenue and Expenditures

	<u>Fiscal Year 2001</u>	<u>Fiscal Year 2002</u>
Revenues:		
Appropriations	\$18,850,609	\$18,828,651
Other	<u>25,006</u>	<u>9,702</u>
Total	<u>\$18,875,615</u>	<u>\$18,838,353</u>
Expenses:		
Salaries and benefits	\$16,463,921	\$16,531,448
Rent	1,065,318	1,067,869
Other	<u>1,064,834</u>	<u>968,618</u>
Total	<u>\$18,594,073</u>	<u>\$18,567,935</u>

### Impending Budget Reductions

As with all state entities, the Commission will most likely incur budget reductions for fiscal years 2003 and 2004. However, the Commission as of the date of this report has not determined the extent such budget reductions will have on operations.

PUBLIC DEFENDER COMMISSION  
Richmond, Virginia

COMMISSION MEMBERS

Richard W. Davis, Chair

Earl M. Brown	James R. Camache
Edward W. Hanson, Jr.	Joseph E. Hess
C. Flippo Hicks	H. Selwyn Smith
Donald S. Vtipil	David D. Walker

OFFICIALS

Overton Pollard, Executive Director

Bonnie Farrish, Fiscal Director